

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT, herein the "Agreement," is made and entered into as of the _____ day of _____, 2008, (the "Effective Date") by and between GENEVA ROCK PRODUCTS, INC., a Utah corporation, herein referred to as the "Buyer," and WEST VALLEY CITY, a municipal corporation of the State of Utah, herein referred to as the "Seller." The Buyer and the Seller are collectively referred to as the "Parties."

RECITALS:

- A. The Seller owns certain improved real property, located at approximately 5371 South 6055 West in West Valley City, herein, and known as Parcel A, West Ridge Commerce Park Phase 4 (the "Property"). The Property is more particularly described and depicted on the attached Exhibit "A," which is incorporated herein. For purposes of this Agreement, the "Property" shall include the above-described real property and (i) all of the Seller's right, title, and interest in and to all leases, privileges, rights-of-way, easements, and appurtenances relating to said real property, (ii) all other rights appurtenant to or connected with the beneficial use or enjoyment of the said real property, including, without limitation, (A) any of the Seller's right, title, and interest in and to immediately adjacent public streets, roads, alleys, or rights-of-way and variances relating to said real Property; (B) all mineral and water rights, shares, or wells relating to said real Property; (C) all surveys in the Seller's possession or control relating to said real property; and (D) all soils and other geological or environmental studies, investigations, and reports, engineering studies and reports, wetlands information and reports, landscaping plans and specifications in the Seller's possession or control relating to said real property.
- B. The Seller desires to sell the Property to the Buyer, and the Buyer desires to purchase the Property from the Seller, upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the covenants and promises contained in this Agreement, the Buyer and the Seller agree as follows:

AGREEMENT:

- 1. **Purchase of Property.** Subject to the terms and conditions of this Agreement, the Seller agrees to sell the Property to the Buyer, and the Buyer agrees to purchase the Property from the Seller. The Seller hereby agrees to effect this purchase and sale transaction through the use of a Special Warranty Deed, subject only to the title and survey matters not expressly disapproved of by the Buyer pursuant to paragraph 3. The deed to be delivered by the Seller to the Buyer pursuant to this Agreement shall convey the Property to the Buyer in fee simple. The parties agree that all water rights, water shares, wells, water stock or any other water related rights of any kind owned by the Seller and relating to the Property or used for the irrigation of the Property shall be conveyed to the Buyer at Closing. The sale also includes all mineral rights to the Property.

2. **Purchase Price.** The Purchase Price for the Property shall be Sixty-Two Thousand Two Hundred Thirty-Three and No/100 Dollars (\$62,233.00). The Buyer shall pay the entire purchase price in cash at Closing.
3. **Title Commitment, Survey and Inspections.**
 - a. **Title Insurance/Approval of Title.** Seller shall cause Metro National Title, acting as the "Title Company" and "Escrow Agent," to prepare and deliver to the Buyer, within ten (10) days following the Effective Date, a title commitment covering the real property, along with legible copies of each of the exception documents appearing in the title commitment. Upon receipt, the Buyer shall review the title commitment and the exception documents. On or before the date which is fifteen (15) days following the Buyer's receipt of the title commitment and exception documents as provided herein, the Buyer shall give written notice to Seller and the Title Company specifying any and each title exception contained in the title commitment which is objectionable to Buyer (each a "Title Defect"). Seller shall have the right, but not the obligation, to cause such Title Defect(s) to be removed or cured prior to the Closing; provided, however, that if any such Title Defect(s) cannot be, or are not, so removed or cured prior to the Closing Date, then Buyer shall elect on or before the Closing Date either to: (i) waive each objection to a Title Defect(s) that cannot, or will not, be removed or cured and to proceed with Buyer's purchase of the Property and accept such Title Defect(s) as a "Permitted Encumbrance"; or (ii) terminate this Agreement. Any Title Defect(s) which Sellers choose not to remove shall remain and Seller shall have no obligation with respect to such Title Defect(s). Notwithstanding the foregoing, any monetary lien or encumbrance against the Property shall be paid, cured, removed, and discharged by Seller prior to or at the Closing.
 - b. **Inspections.** With regard to the physical condition of the Property, the Parties agree as follows:
 - (i) **Inspection Period.** Buyer shall have the period commencing on the Effective Date and expiring on the thirtieth (30th) day following the Effective Date (the "Inspection Period") during which Buyer and/or its agents shall have the right, at the Buyer's sole cost, to physically survey, inspect, and map the Property; to conduct engineering, geological, and other tests; to detect any defects or other problems in the Property and to determine if the Property is in an acceptable condition, as determined solely by the Buyer. Buyer shall have non-intrusive access to the areas of the Property open to the general public without prior notice to the Seller. Buyer shall give not less than twenty four (24) hours notice to Seller prior to any entry upon the Property for the purpose of conducting intrusive inspection. Buyer shall not cause or permit any mechanic's liens, materialman's liens or other liens to be filed against the Property as a result of the inspections. Buyer shall immediately repair and restore any damage to the Property arising out of inspections, and will indemnify and

hold harmless Seller and Seller's affiliates from any and all damages, losses or claims arising out of the inspections. The foregoing indemnification and repair obligation shall survive the termination of this Agreement.

- (ii) Survey. Buyer shall have the right, at its option, to procure, review and approve, prior to the expiration of the Inspection Period, an ALTA/ACSM survey of the Property (the "Survey"), conforming to the minimum standard detail requirements jointly established by the American Land Title Association and the American Congress on Surveying and Mapping in 2005, and in all other respects satisfactory to Buyer.
- (iii) Environmental Assessment. The Buyer, at its own expense, may obtain, review and approve an environmental assessment of the Property prior to the expiration of the Inspection Period. The acceptability of the environmental assessment and the environmental condition of the Property shall be in the Buyer's sole discretion.
- (iv) Condition of the Property. If Buyer, in its sole discretion, is not satisfied for any reason with the nature or condition of the Property or the results of its tests, studies, examinations, or investigations, or if the Property cannot be developed or used for Buyer's intended use, or if the mineral composition or ownership is not satisfactory to Buyer, or if adequate water for Buyer's intended use is not available to the Property on terms satisfactory to Buyer, Buyer may terminate this Agreement by the delivery of written notice of termination to Seller on or before the expiration of the Inspection Period, whereupon this Agreement shall terminate and neither party shall have any further liability to the other hereunder.
- v. Right of Entry. Buyer shall have the right to enter on to the Property commencing on the Effective Date, for the purposes of conducting any and all inspections of the Property, including, without limitation, surveys.

4. **Closing.** The term "Closing" is used in this Agreement to mean the time at which the Special Warranty Deed is recorded in the office of the Salt Lake County Recorder. Subject to any extension rights provided in this Agreement, the Closing shall occur on or before the date which is fifteen (15) days following the expiration of the Inspection Period, unless the Buyer and the Seller mutually agree in writing to close the transaction on a later date, or unless otherwise provided for in this Agreement. The date on which the Closing actually takes place, or if more than one day is required to complete the Closing, the date on which the Closing is actually accomplished, shall be referred to and designated herein as the "Closing Date."

- a. Buyer Deliveries. On or before the Closing Date, the Buyer shall deliver the following:

- (i) Payment of the cash Purchase Price.
 - (ii) A duly executed settlement statement.
 - (iii) Such authority documents as the Seller and the Title Company shall reasonably request to evidence the authority of each of the persons executing the Deed, and other Closing documents on behalf of the Buyer.
 - (iv) All other documents reasonably requested by Seller and/or Title Company, and reasonably approved by the Buyer, which are necessary to complete the transaction as contemplated herein.
- b. Seller Deliveries. On or before the Closing Date, the Seller shall deliver the following:
- (i) The duly executed and acknowledged Special Warranty Deed in favor of the Buyer, or such entity as the Buyer may direct, conveying fee title to the real property, free and clear of all liens and encumbrances, except for the Permitted Exceptions.
 - (ii) Such authority documents as the Buyer and the title company shall reasonably request to evidence the authority of each of the persons executing the Deed, and other Closing documents on behalf of the Seller.
 - (iii) A duly executed settlement statement.
 - (iv) Such deeds and/or documents as may be required to convey any water rights, or any other rights described in paragraph 1 of this Agreement, to the Buyer.
 - (v) All other documents reasonably requested by Buyer and/or Title Company, and reasonably approved by the Seller, which are necessary to complete the transaction as contemplated herein.
 - (vi) The Resolution of the West Valley City Council (or other, applicable governmental board or agency with jurisdiction over the transaction contemplated by this Agreement) authorizing this transaction.
- c. Prorations. The following items shall be prorated as of the Closing Date:
- (i) All water, sewer, and utility charges for the Property.
 - (ii) All nondelinquent real property taxes related to the Property, based on the fiscal year used by the taxing authority, if any are owing.
 - (iii) All levied or pending assessments affecting the Property.

In connection with the foregoing, the Seller shall furnish to the Buyer sufficient information to enable the Buyer and the Seller to make the prorations required under this Agreement.

- d. Buyer's Costs. The Buyer shall pay the following items at or before the Closing:
 - (i) One half of any escrow fees and recording costs at the Closing.
 - (ii) The cost of any extended coverage or special endorsements to be added, at the discretion of the Buyer, to the standard owner's policy of title insurance to be issued by the Title Company to Buyer at Closing.
- e. Seller's Costs. The Seller shall pay the following items at or before the Closing:
 - (i) One half of any escrow fees and recording costs.
 - (ii) The cost of the standard coverage owner's policy of title insurance for the Property.
- f. Financing. This Agreement is contingent on the Buyer's receipt of the appropriate financing for the full purchase price of the Property. Should the Buyer fail to secure financing on or before Closing, Buyer shall have the right to terminate this Agreement.
- g. Other Closing Conditions. The obligations of Buyer under this Agreement to purchase the Property are subject to the fulfillment, prior to or at the Closing, of the following, additional conditions:
 - (i) Buyer shall not have terminated this Agreement on or before the expiration of the Inspection Period or as otherwise provided herein.
 - (ii) Seller shall have performed and complied in all respects with their obligations, covenants, and agreements contained in this Agreement, to be performed and complied with at the appropriate times for such performance and compliance.
 - (iii) Each of the representations and warranties of Seller set forth herein shall be true and correct to the best of Seller's knowledge as of the date hereof and as of the date of the Closing.

In the event that each of such conditions shall not have been satisfied at or prior to the applicable date for satisfaction, or waived by Buyer, then Buyer shall have the right, at Buyer's option, to terminate this Agreement by giving written notice of such termination to Sellers on or prior to the applicable date for satisfaction. In the event this Agreement is terminated by Buyer by reason of the failure of the

conditions set forth in this subparagraph 4(g), regardless of when such termination occurs, Buyer and Seller each shall be released automatically from all further obligations and liabilities hereunder.

- h. Failure to Deliver or Perform. If the Seller fails or refuses to deliver a valid and acceptable Deed or such other documents as may be necessary for the Seller to perform at the Closing, the Buyer may, at the Buyer's option, extend the time for the Closing, or may in writing, terminate this Agreement.
 - i. Possession of the Property. Possession of the Property shall be transferred by Seller to Buyer at Closing. Further, the Property shall be completely vacant when transferred to the Buyer. The Seller agrees to transfer the Property unencumbered by any leasehold interest and/or tenant(s) occupation.
 - j. Indemnification by Buyer. Buyer shall pay, defend and hold Seller harmless from and against all liability of any nature whatever, regardless of the nature in which such liability may arise, from any and all Claims (as defined herein), including those of any employee of Buyer, or any customer, member, invitee or licensee of Buyer, whether past or present, arising after the Closing from (i) the possession, ownership or operation of the Property by Buyer, and (ii) any obligation assumed by Buyer pursuant to this Agreement, the Permitted Exceptions and the Closing Documents. For purposes of this Agreement the term "Claims" means any and all claims, losses, demands, costs, injuries, damages, expenses, liabilities, liens, actions, suits, causes of action (whether in tort or contract, law or equity, or otherwise), judgments, charges, costs, assessments, fines, and penalties of any kind (including consultant and expert expenses, court costs, and attorneys' fees). The provisions of this subparagraph shall survive the Closing and not be merged therein.
 - k. Indemnification by Seller. To the fullest extent permitted by law, Seller shall, defend, indemnify and hold Buyer harmless from and against all Claims (as defined above) of any nature whatever, relating to (directly or indirectly) or arising out of or from, the existence, or operation of the Property, or relating to (directly or indirectly) or arising out of or from Seller's development of, negotiation for, possession, ownership, control, use or operation of the Property prior to Closing. The provisions of this subparagraph shall survive the Closing and not be merged therein.
5. **Default/Remedies.** Except as otherwise expressly provided herein, either party shall be in default of this Agreement (i) if such party fails to comply with the terms and conditions set forth herein for any reason, except either party's failure to consummate the Closing on the Closing Date pursuant to a right to terminate expressly set forth in this Agreement, and (ii) said default continues for a period of fifteen (15) days after receipt of written notice from the nondefaulting party specifying the default (an "Event of Default"). Following an Event of Default by Seller hereunder, Buyer shall have the right, by legal action, to compel performance by Seller of its obligations hereunder and/or to

recover damages (excluding lost profits, special, punitive, exemplary, and consequential damages) from Seller resulting from said default. Following an Event of Default by Buyer hereunder, Seller shall have the right, by legal action, to recover damages (excluding lost profits, special, punitive, exemplary, and consequential damages) from Buyer resulting from said Event of Default.

6. **Seller's Representations and Warranties.** The Parties expressly understand that each of the following representations and warranties and each of any others made herein is material, and that the Buyer is relying upon each of such representations and warranties as true and correct as of the Closing Date, as though such representations and warranties had been made on such date. As a condition to the Closing, the Seller hereby makes the following representations and warranties, in addition to any others made in this Agreement. The representations and warranties made by the Seller under this Agreement shall be deemed to have been made again and shall be true and correct at and as of the Closing Date and shall survive the Closing of the transaction contemplated by this Agreement. The specific representations and warranties of the Seller are as follows:
- a. At the Closing, the Seller will be the sole owner of the Property and will hold title to the Property in fee simple, free and clear of all encumbrances, except the Permitted Exceptions.
 - b. Each individual executing this Agreement on behalf of the Seller represents and warrants that he/she is duly authorized to execute and deliver this Agreement on the Seller's behalf.
 - c. This Agreement and the consummation of this transaction do not and will not contravene any provision of any judgment, order, decree, writ, or injunction, and will not result in a breach of, constitute a default under, or require consent pursuant to any credit agreement, lease, indenture, mortgage, deed of trust, purchase agreement, guaranty, or other instrument to which the Seller, or any of the persons or entities comprising the Seller, is presently a party or by which any of the same or their respective assets are presently bound or affected.
 - d. From the Effective Date through the Closing Date, the Seller, without the Buyer's prior written consent, has not subjected any right, title, or interest in the Property to any mortgage, pledge, lien, or other encumbrance, except as has been approved by the Buyer in writing.
 - e. From the Effective Date through the Closing Date, the Seller, without the Buyer's prior written consent, has not transferred, conveyed, leased, or assigned any right, title, or interest in or to all or any portion of the Property; without the written permission of the Buyer.
 - f. To Seller's Knowledge while the Property was under Seller's control, no hazardous waste or toxic substances have been stored on, released into, generated on, or deposited upon the Property or into any water systems on or below the

surface of the Property, and the Property complies with all local, state, and federal hazardous waste laws, rules, and regulations, except those items disclosed pursuant to an environmental assessment conducted by the Buyer.

- g. Seller has received no notice regarding any violation or other noncompliance involving the Property with any covenant, condition or restriction recorded against or applicable to the Property.
 - h. Seller has received no notice regarding any violation or other noncompliance involving the Property with any laws, regulations, ordinances and building and fire codes of any local, state and/or federal agencies that have jurisdiction over the Property
 - i. There is no pending or threatened suit or litigation involving the Property.
 - j. As of the end of the Inspection Period Seller has provided Buyer with all Seller's knowledge, information, and documentation regarding the Property, as specifically requested by the Buyer.
 - k. No portion of the Property shall be subject at the Closing to any lease, tenancy, or any management, listing, or service agreement or arrangement respecting the Property, so that the Buyer shall receive all of the Property free and clear of any such lease, tenancy, management agreement or other contracts.
7. **Additional Documents.** Both the Buyer and the Seller agree to execute all other documents and to do such other acts as may be reasonably necessary or proper in order to consummate the transaction contemplated by this Agreement.
8. **Notices.** All notices, requests, demands, and other communications required under this Agreement, except for normal, daily business communications, shall be in writing. Such written communication shall be effective upon personal delivery to any party or upon being sent by trackable overnight mail service; by telecopy (with verbal confirmation of receipt); or by certified mail, return receipt requested, postage prepaid, and addressed to the respective parties as follows:

If to the Seller:	West Valley City Redevelopment Agency 3600 South Constitution Blvd. West Valley City, Utah 84119 Attention: Brent Garlick
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With a Copy to:	Richard Catten, City Attorney 3600 South Constitution Blvd. West Valley City, Utah 84119
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If to the Buyer: Geneva Rock Products, Inc.
PO Box 538
Orem, Utah 84059
Attention: Albert T. Schellenberg

With a Copy to: Michael W. Christopherson, Esq.
Stoel Rives LLP
201 S. Main Street, Suite 1100
Salt Lake City, Utah 84111

Either party may change its address for purposes of this Agreement by giving written notice to the other party.

9. **Modification.** Neither party to this Agreement may amend or modify this Agreement, except in writing executed by the parties hereto.
10. **Entire Agreement.** The parties expressly agree that this Agreement and the exhibits attached hereto constitute the full and complete understanding and agreement of the parties, and that this Agreement supersedes all prior understandings, agreements, and conversations between the parties, whether oral or written. Any prior negotiations, correspondence, or understandings related to the subject matter of this Agreement shall be deemed to be merged into this Agreement and the attached exhibits.
11. **Severability.** If any term or provision of this Agreement is invalid or unenforceable for any reason whatever, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining provisions of this Agreement.
12. **Captions and Headings.** The section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement.
13. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original for all purposes, but all of which shall constitute but one and the same instrument.
14. **Governing Law.** This Agreement shall be construed in accordance with the laws of the State of Utah.
15. **Assignability.** This Agreement shall bind and inure to the benefit of the assignees, heirs, and successors-in-interest of the Buyer and the Seller. Neither the Buyer nor the Seller shall assign its rights or delegate its obligations hereunder without the prior written consent of the other, except in connection with a 1031 tax free exchange or exchanges as provided herein.
16. **Time of the Essence.** Time is of the essence with respect to the performance of the parties under this Agreement.

18. **Waiver.** A waiver by either party of any provision of this Agreement shall not operate or be construed as a waiver of any other subsequent breach.

[signatures on following pages]

JOINDER BY ESCROW AGENT

The undersigned hereby acknowledges the terms and conditions of this Real Estate Purchase Agreement and agrees to hold and disburse all monies, documents and instruments to be deposited with the Escrow Agent in accordance herewith.

METRO NATIONAL TITLE

By: _____

Name: _____

Title: _____

Date Executed: _____

EXHIBIT “A”

LEGAL DESCRIPTION OF PROPERTY

That certain real property located in Salt Lake County, Utah, and more particularly described as follows:

ALL OF PARCEL A, WEST RIDGE COMMERCE PARK PHASE 4 SUBDIVISION, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE AND OF RECORD AS ENTRY NUMBER 10477978, RECORDED ON July 15, 2008 IN THE SALT LAKE COUNTY RECORDER’S OFFICE.

Tax Parcel No. a portion of Parcel 20-11-300-014